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SENATE RESOLUTION

REQUESTING THE DEPARTMENT OF AGRICULTURE TO DESIGNATE AREAS IN EACH COUNTY FOR DAIRY OPERATIONS AND DEVELOP INCENTIVES TO INCREASE DAIRY OPERATIONS IN THE STATE.

WHEREAS, peak milk production in the State was at one hundred sixty million pounds in 1988, but by 2006, production declined by more than sixty-four percent to fifty-seven million pounds; and

WHEREAS, milk production in the State in 2017 was 1.75 million gallons, which equates to just over fifteen million pounds; and $\frac{1}{2}$

WHEREAS, the demise of Hawaii's dairies stemmed from the higher cost of local milk production and loss of market presence due to competitive, low-cost imported milk from the mainland United States; and

WHEREAS, local dairy operators face several challenges to the local production of milk, including high costs and environmental challenges; and

WHEREAS, the State only has two dairies currently operating and one of those dairies intends to shut down its operations in spring 2019; and

WHEREAS, the State lacks a local animal feed producer, which necessitates the importation of feed by local dairy operators and ranchers; and

WHEREAS, bad weather and mechanical issues on cargo ships caused milk delivery delays and left some store shelves empty the first week in March of 2019; and

WHEREAS, dairy shortages highlight the need for the State to increase its local food production; and

WHEREAS, local dairies can help reduce the State's reliance on imported milk; now, therefore,

BE IT RESOLVED by the Senate of the Thirtieth Legislature of the State of Hawaii, Regular Session of 2019, that the Department of Agriculture is requested to designate areas in each county for dairy operations and develop incentives to increase dairy operations in the State; and

BE IT FURTHER RESOLVED that the Department of Agriculture is requested to submit a report of its findings and recommendations, and any proposed legislation, to the Legislature no later than twenty days prior to the convening of the Regular Session of 2020; and

BE IT FURTHER RESOLVED that the Department of Agriculture is requested to include in its report to the Legislature:

 A map and explanation of areas in each county to be designated for dairy operations;

(2) Proposed incentives to increase dairy operations to the State; and

(3) An examination of the effects of the Milk Act on the decline of Hawaii's dairy industry and related recommendations that could address potential future issues; and

 BE IT FURTHER RESOLVED that certified copies of this Resolution be transmitted to the Governor and Chairperson of the Board of Agriculture.